

FIRST REGULAR SESSION

SENATE BILL NO. 681

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR KOSTER.

Read 1st time March 1, 2007, and ordered printed.

TERRY L. SPIELER, Secretary.

2456S.02I

AN ACT

To repeal section 99.820, RSMo, and to enact in lieu thereof one new section relating to municipal implementation of tax increment financing projects.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 99.820, RSMo, is repealed and one new section enacted

2 in lieu thereof, to be known as section 99.820, to read as follows:

99.820. 1. A municipality may:

2 (1) By ordinance introduced in the governing body of the municipality
3 within fourteen to ninety days from the completion of the hearing required in
4 section 99.825, approve redevelopment plans and redevelopment projects, and
5 designate redevelopment project areas pursuant to the notice and hearing
6 requirements of sections 99.800 to 99.865. No redevelopment project shall be
7 approved unless a redevelopment plan has been approved and a redevelopment
8 area has been designated prior to or concurrently with the approval of such
9 redevelopment project and the area selected for the redevelopment project shall
10 include only those parcels of real property and improvements thereon directly and
11 substantially benefited by the proposed redevelopment project improvements;

12 (2) Make and enter into all contracts necessary or incidental to the
13 implementation and furtherance of its redevelopment plan or project;

14 (3) Pursuant to a redevelopment plan, subject to any constitutional
15 limitations, acquire by purchase, donation, lease or, as part of a redevelopment
16 project, eminent domain, own, convey, lease, mortgage, or dispose of, land and
17 other property, real or personal, or rights or interests therein, and grant or
18 acquire licenses, easements and options with respect thereto, all in the manner
19 and at such price the municipality or the commission determines is reasonably
20 necessary to achieve the objectives of the redevelopment plan. No conveyance,

21 lease, mortgage, disposition of land or other property, acquired by the
22 municipality, or agreement relating to the development of the property shall be
23 made except upon the adoption of an ordinance by the governing body of the
24 municipality. Each municipality or its commission shall establish written
25 procedures relating to bids and proposals for implementation of the
26 redevelopment projects. Furthermore, no conveyance, lease, mortgage, or other
27 disposition of land or agreement relating to the development of property shall be
28 made without making public disclosure of the terms of the disposition and all bids
29 and proposals made in response to the municipality's request. Such procedures
30 for obtaining such bids and proposals shall provide reasonable opportunity for
31 any person to submit alternative proposals or bids;

32 (4) Within a redevelopment area, clear any area by demolition or removal
33 of existing buildings and structures;

34 (5) Within a redevelopment area, renovate, rehabilitate, or construct any
35 structure or building;

36 (6) Install, repair, construct, reconstruct, or relocate streets, utilities, and
37 site improvements essential to the preparation of the redevelopment area for use
38 in accordance with a redevelopment plan;

39 (7) Within a redevelopment area, fix, charge, and collect fees, rents, and
40 other charges for the use of any building or property owned or leased by it or any
41 part thereof, or facility therein;

42 (8) Accept grants, guarantees, and donations of property, labor, or other
43 things of value from a public or private source for use within a redevelopment
44 area;

45 (9) Acquire and construct public facilities within a redevelopment area;

46 (10) Incur redevelopment costs and issue obligations;

47 (11) Make payment in lieu of taxes, or a portion thereof, to taxing
48 districts;

49 (12) Disburse surplus funds from the special allocation fund to taxing
50 districts as follows:

51 (a) Such surplus payments in lieu of taxes shall be distributed to taxing
52 districts within the redevelopment area which impose ad valorem taxes on a basis
53 that is proportional to the current collections of revenue which each taxing
54 district receives from real property in the redevelopment area;

55 (b) Surplus economic activity taxes shall be distributed to taxing districts
56 in the redevelopment area which impose economic activity taxes, on a basis that

57 is proportional to the amount of such economic activity taxes the taxing district
58 would have received from the redevelopment area had tax increment financing
59 not been adopted;

60 (c) Surplus revenues, other than payments in lieu of taxes and economic
61 activity taxes, deposited in the special allocation fund, shall be distributed on a
62 basis that is proportional to the total receipt of such other revenues in such
63 account in the year prior to disbursement;

64 (13) If any member of the governing body of the municipality, a member
65 of a commission established pursuant to subsection 2 of this section, or an
66 employee or consultant of the municipality, involved in the planning and
67 preparation of a redevelopment plan, or redevelopment project for a
68 redevelopment area or proposed redevelopment area, owns or controls an interest,
69 direct or indirect, in any property included in any redevelopment area, or
70 proposed redevelopment area, which property is designated to be acquired or
71 improved pursuant to a redevelopment project, he or she shall disclose the same
72 in writing to the clerk of the municipality, and shall also so disclose the dates,
73 terms, and conditions of any disposition of any such interest, which disclosures
74 shall be acknowledged by the governing body of the municipality and entered
75 upon the minutes books of the governing body of the municipality. If an
76 individual holds such an interest, then that individual shall refrain from any
77 further official involvement in regard to such redevelopment plan, redevelopment
78 project or redevelopment area, from voting on any matter pertaining to such
79 redevelopment plan, redevelopment project or redevelopment area, or
80 communicating with other members concerning any matter pertaining to that
81 redevelopment plan, redevelopment project or redevelopment area. Furthermore,
82 no such member or employee shall acquire any interest, direct or indirect, in any
83 property in a redevelopment area or proposed redevelopment area after either (a)
84 such individual obtains knowledge of such plan or project, or (b) first public notice
85 of such plan, project or area pursuant to section 99.830, whichever first occurs;

86 (14) Charge as a redevelopment cost the reasonable costs incurred by its
87 clerk or other official in administering the redevelopment project. The charge for
88 the clerk's or other official's costs shall be determined by the municipality based
89 on a recommendation from the commission, created pursuant to this section.

90 2. Prior to adoption of an ordinance approving the designation of a
91 redevelopment area or approving a redevelopment plan or redevelopment project,
92 the municipality shall create a commission of nine persons if the municipality is

93 a county or a city not within a county and not a first class county with a charter
94 form of government with a population in excess of nine hundred thousand, and
95 eleven persons if the municipality is not a county and not in a first class county
96 with a charter form of government having a population of more than nine
97 hundred thousand, and twelve persons if the municipality is located in or is a
98 first class county with a charter form of government having a population of more
99 than nine hundred thousand, to be appointed as follows:

100 (1) In all municipalities two members shall be appointed by the school
101 boards whose districts are included within the redevelopment plan or
102 redevelopment area. Such members shall be appointed in any manner agreed
103 upon by the affected districts;

104 (2) In all municipalities one member shall be appointed, in any manner
105 agreed upon by the affected districts, to represent all other districts levying ad
106 valorem taxes within the area selected for a redevelopment project or the
107 redevelopment area, excluding representatives of the governing body of the
108 municipality;

109 (3) In all municipalities six members shall be appointed by the chief
110 elected officer of the municipality, with the consent of the majority of the
111 governing body of the municipality;

112 (4) In all municipalities which are not counties and not in a first class
113 county with a charter form of government having a population in excess of nine
114 hundred thousand, two members shall be appointed by the county of such
115 municipality in the same manner as members are appointed in subdivision (3) of
116 this subsection;

117 (5) In a municipality which is a county with a charter form of government
118 having a population in excess of nine hundred thousand, three members shall be
119 appointed by the cities in the county which have tax increment financing districts
120 in a manner in which the cities shall agree;

121 (6) In a municipality which is located in the first class county with a
122 charter form of government having a population in excess of nine hundred
123 thousand, three members shall be appointed by the county of such municipality
124 in the same manner as members are appointed in subdivision (3) of this
125 subsection;

126 (7) **In a municipality which is a county under the authority of the**
127 **East-West Gateway Council of Governments, the municipality shall**
128 **create a commission in the same manner as the commission for a first**

129 **class county with a charter form of government having a population of**
130 **more than nine hundred thousand, such commission shall have twelve**
131 **members with two such members appointed by the school boards whose**
132 **districts are included in the county, with one such member to represent**
133 **all other districts levying ad valorem taxes, three such members**
134 **appointed by the county executive, and six such members appointed by**
135 **the cities in the county which have tax increment financing districts in**
136 **a manner in which the cities shall agree;**

137 **(8) When any city, town, or village under the authority of the**
138 **East-West Gateway Council of Governments desires to implement a tax**
139 **increment financing project, such city, town, or village shall first**
140 **obtain the permission of the county tax increment financing**
141 **commission created in this subsection within which the city, town, or**
142 **village is located;**

143 **(9) At the option of the members appointed by the municipality, the**
144 **members who are appointed by the school boards and other taxing districts may**
145 **serve on the commission for a term to coincide with the length of time a**
146 **redevelopment project, redevelopment plan or designation of a redevelopment**
147 **area is considered for approval by the commission, or for a definite term pursuant**
148 **to this subdivision. If the members representing school districts and other taxing**
149 **districts are appointed for a term coinciding with the length of time a**
150 **redevelopment project, plan or area is approved, such term shall terminate upon**
151 **final approval of the project, plan or designation of the area by the governing**
152 **body of the municipality. Thereafter the commission shall consist of the six**
153 **members appointed by the municipality, except that members representing school**
154 **boards and other taxing districts shall be appointed as provided in this section**
155 **prior to any amendments to any redevelopment plans, redevelopment projects or**
156 **designation of a redevelopment area. If any school district or other taxing**
157 **jurisdiction fails to appoint members of the commission within thirty days of**
158 **receipt of written notice of a proposed redevelopment plan, redevelopment project**
159 **or designation of a redevelopment area, the remaining members may proceed to**
160 **exercise the power of the commission. Of the members first appointed by the**
161 **municipality, two shall be designated to serve for terms of two years, two shall**
162 **be designated to serve for a term of three years and two shall be designated to**
163 **serve for a term of four years from the date of such initial**
164 **appointments. Thereafter, the members appointed by the municipality shall**

165 serve for a term of four years, except that all vacancies shall be filled for
166 unexpired terms in the same manner as were the original appointments.

167 3. The commission, subject to approval of the governing body of the
168 municipality, may exercise the powers enumerated in sections 99.800 to 99.865,
169 except final approval of plans, projects and designation of redevelopment
170 areas. The commission shall hold public hearings and provide notice pursuant
171 to sections 99.825 and 99.830. The commission shall vote on all proposed
172 redevelopment plans, redevelopment projects and designations of redevelopment
173 areas, and amendments thereto, within thirty days following completion of the
174 hearing on any such plan, project or designation and shall make
175 recommendations to the governing body within ninety days of the hearing
176 referred to in section 99.825 concerning the adoption of or amendment to
177 redevelopment plans and redevelopment projects and the designation of
178 redevelopment areas. The requirements of subsection 2 of this section and this
179 subsection shall not apply to redevelopment projects upon which the required
180 hearings have been duly held prior to August 31, 1991.

Bill ✓

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